

**Wheat Domestic Fundamentals:**

**FCI will offer a total quantity 2084650 tonnes of wheat in different states through e-auction on 26th July 2018 at a reserve price of Rs 1900 per quintal.** Of the total quantity in OMSS, highest quantity of 522000 tonnes in Maharashtra followed by 521350 tonnes in Punjab, 580200 tonnes in Haryana, 60000 tonnes in West Bengal, 56000 tonnes in Rajasthan, 55000 tonnes in Odhisa, 34000 tonnes in Kerala, 32900 tonnes in Chandigarh, 26500 tonnes in Tamil Nadu, 25500 tonnes in Gujarat, 25000 tonnes in Andhra Pradesh, 25000 tonnes in Madhya Pradesh, 23800 tonnes in Karnataka, 20000 tonnes in Delhi, 18900 tonnes in Chhattisgarh, 15000 tonnes in Uttar Pradesh, 13000 tonnes in Assam, 13000 tonnes in Uttarakhand, 7000 tonnes in J&K, 5000 tonnes in Bihar, 2000 tonnes in Himachal Pradesh, 2500 tonnes in Jharkhand and 1000 tonnes in Goa.

**As per trade sources, import quotes for wheat from various origins to Tuticorin port, witnessed firm tone in the week.** As of now Tuticorin port price for ASW is Rs 2245-2255 per quintal and Ukrainian wheat is Rs 2040-2050 per quintal. Wheat supplies are likely to tighten this year. Stock of imported wheat has declined in past months as no quantity has been imported since February 2018 from Australia or Ukraine.

**All India weekly average prices decreased by 0.66 percent to Rs. 1898.00 per quintal during the week ended 23rd July 2018.** Wheat average price were ruling at Rs 1910.64 per quintal during 09-15 July 2018. As compared to prices in the week 16-23 July 2017, the prices are weak by 0.02 percent. Prices are expected to remain firm in coming days due to increase in import duty and good domestic demand.

**As per trade sources, after increase in import duty to 30 percent imports have decreased substantially.** India has imported no wheat in the month of June-2018. Imports are expected to be low this year due to good domestic availability and increase in import duty. India has imported around 31000 tonnes in the month of February-2018. Production in exporting countries like Australia and Russia is likely to stay at lower side, which is likely to keep their export prices at higher side. Therefore, demand for wheat will be, to a large extent, dependent on domestically available wheat.

**As per trade source, India has exported around 2.17 thousand tonnes in the month of June** compared to 2.31 thousand tonnes in May. The quantity in June was exported at an average FOB of \$ 432.95 per tonne and the major destinations were Nepal, UAE, Malaysia, Kuwait and Singapore. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**Wheat WPI has increased slightly from 141.7 in May-2018 to 143.1 in June-2018.** Monthly wheat inflation has increased by 0.99 percent in June -2018 compared to previous month. As compared to June-2017 wheat WPI has increased by around 5.14 percent. Wheat WPI is expected to stay steady to slightly firm in coming months.

**Government agencies have started procurement since 15th March'18. For RMS 2018-19, government has procured around 355.22 lakh tonnes of wheat.** Of the total quantity procured, around 126.91 lakh tonnes have been procured from Punjab, 87.39 lakh tonnes from Haryana, 50.88 lakh tonnes from Uttar Pradesh, 72.87 lakh tonnes have been procured from Madhya Pradesh, 15.31 in Rajasthan, 1.09 lakh tonnes from Uttarakhand, 0.14 lakh tonnes from Chandigarh, 0.37 lakh tonnes from Gujarat, 0.25 lakh tonnes from Bihar and 0.01 lakh tonnes from Himachal Pradesh. In Rabi marketing season 2018-19 government has set procurement target of 32 MMT. Government has abundant supplies this year, which will allow it to control any unexpected price rise.

**International Market Update:**

**Russian milling wheat prices became firm by \$1-4 per tonne at Novorossiysk and \$1-2 per tonne at Odessa** compared to last week. Good demand and lower crop size compared to last year is providing support to prices. As per Agriculture ministry, Russia is expected to produce 64.4 MMT in 2018. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$200.00-205.00/tonne whereas milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$199.00-202.00/tonne.

**As on 13th July Russia has harvested 24.6 million tonnes of wheat compared to 9.0 million tonnes a year ago for the same date.** Around 6.3 million hectares of area has been harvested with an average yield of 3.88 tonnes per hectare compared to 1.9 million hectares with an average yield of 4.69 tonnes per hectare a year ago for same date. Russia is expected to harvest 68-69 million tonnes of wheat in 2018.

**As per latest update, Japan's ministry of agriculture bought 57914 MT** of food quality wheat from United States. Shipments from United States will be loaded between Sept 01 and Sept 31, 2018.

**Outlook:** Cash market is expected to trade steady to firm in the near term.

Wheat Futures Contract: NCDEX Price							Date: 24.07.2018 at 5:00 PM		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
18-Aug	-1	1968	1975	1965	1972	1390	-50	6270	-550
18-Sep	+6	1983	2000	1980	1989	1170	+650	1840	+720
18-Oct	0	1955	2000	1921	1955	0	-50	10	0

Spread	Aug-18	Sep-18	Oct-18	
Spot Narela				
18-Aug	147			
18-Sep		17		
18-Oct			-34	

Stocks	Demat	In- Process	Total	FED
	23.July.18	23.July.18	23.July.18	23.July.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6095	0	6095	6095
Baran	30	0	30	30

## Wheat Daily Prices and Arrivals on 24.07.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Jul-18	23-Jul-18	
Delhi	Lawrence Road	Mill Delivery	1970	1975	-5
	Narella	Mill Quality Loose	1825	1825	Unch
	Nazafgarh	Mill Quality Loose	1900	1900	Unch
Gujarat	Rajkot	Mill Delivery	Closed	1940	-
	Ahmedabad	Mill Delivery	2100	2080	20
	Surat	Mill Delivery	2125	2120	5
	Dhrol	Mill Quality Loose	2065	2110	-45
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	1900	1900	Unch
Rajasthan	Kota	Mill Quality Loose	1850	1850	Unch
		Mill Delivery	1950	1950	Unch
U.P.	Kanpur	Mill Delivery	1815	1840	-25
	Mathura	Mill Quality Loose	1780	1800	-20
	Kosi	Mill Quality Loose	1800	1830	-30
	Hathras	Mill Quality Loose	NR	Closed	-
	Aligarh	Mill Quality Loose	1800	1800	Unch
Punjab	Khanna	Mill Quality Loose	1810	1810	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1840	1840	Unch
	Hodal	Mill Delivery	1910	1910	Unch

	Bhiwani	Mill Quality Loose	1880	1860	<b>20</b>
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	2300	2300	<b>Unch</b>
	Madurai	Mill Quality	2357	2357	<b>Unch</b>
	Coimbatore	Mill Quality	2357	2357	<b>Unch</b>
<b>Bihar</b>	Khagariya	Mill Delivery	1750	1700	<b>50</b>
	Muzaffarpur	Mill Delivery	1850	1800	<b>50</b>
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Jul-18	23-Jul-18	
<b>Gujarat</b>	Rajkot	Lokwan	Closed	2100	-
<b>M.P.</b>	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	2200	2200	<b>Unch</b>
	Bina	Sarbati 306	NA	NA	-
<b>Rajasthan</b>	Kota	LokwanBilty	2050	2050	<b>Unch</b>
	Baran	Lokwan	1975	1950	<b>25</b>

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			24-Jul-18	23-Jul-18	
<b>Delhi</b>	Lawrence Road	Mill Delivery	10000	11000	<b>-1000</b>
	Narella	Mill Quality Loose	300	400	<b>-100</b>
	Nazafgarh	Mill Quality Loose	125	600	<b>-475</b>
<b>Gujarat</b>	Rajkot	Mill Quality Loose	Closed	400	-
	Dhrol	Mill Quality Loose	27	34	<b>-7</b>
<b>M.P.</b>	Indore	Mill Quality Loose	Closed	Closed	-
<b>Rajasthan</b>	Kota	Mill Quality	1200	1000	<b>200</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	500	400	<b>100</b>
	Mathura	Mill Quality Loose	1000	1500	<b>-500</b>
	Kosi	Mill Quality Loose	200	250	<b>-50</b>
	Hathras	Mill Quality Loose	NR	Closed	-
	Aligarh	Mill Quality Loose	500	600	<b>-100</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	<b>Unch</b>
	Hodal	Mill Quality Loose	50	85	<b>-35</b>
	Bhiwani	Mill Quality Loose	200	600	<b>-400</b>

	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	24-Jul-18	23-Jul-18	Change
Atta (50kg) Ordinary	1100	1100	Unch
Maida Grade 1 (50KG)	1150	1150	Unch
Suji (50kg)	1200	1200	Unch
Chokar (50 kg)	925	925	Unch
Chokar (34 kg)	630	630	Unch
Chakki Atta (50kg)	1100	1100	Unch
Chakki Atta (50kg) Special	1125	1125	Unch
Chakki Atta (90kg) Superfine	2050	2050	Unch
Chakki Atta (50kg) Superfine	1135	1135	Unch

Wheat (CBOT) Future Price:23.7.2018					
Contract Month	Open	High	Low	Close	Change
18-Sep	518.00	522.50	512.00	513.75	-2.25
18-Dec	535.75	539.25	530.00	532.25	-0.75
19-Mar	549.75	555.25	546.00	549.50	0.75
19-May	559.50	563.25	555.00	557.75	0.25
19-Jul	561.50	566.75	557.50	561.25	0.75
19-Sep	570.25	574.75	567.50	569.75	1.25

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